GOVERNMENT OF INDIA
COMMUNICATIONS AND INFORMATION TECHNOLOGY
LOK SABHA

UNSTARRED QUESTION NO:87
ANSWERED ON:17.02.2006
PERFORMANCE OF POSTAL SERVICES
Siddeswara Shri Gowdar Mallikarjunappa

Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether the performance of private sector in postal services are better than the services of Department of Posts;

(b) if so, the details and the reasons therefor;

(c) whether this has affected the services of Department of Posts and the Union Government have suffered loss due to this; and

(d) if so, the steps taken by the Union Government to get a lead over private sector in this era of competition?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (DR. SHAKEEL AHMAD)

(a) No, Sir.

(b) Does not arise in view of (a) above.

(c) Post Offices have a wide range of services. There is a continuous growth in traffic and revenues earned from business of premium products like Speed Post, Business Post, Express Parcel and Retail Post. Revenue and traffic figures of premium products during last three years are given in Part (a) of the Annexure.

Likewise, business both in Postal Life Insurance and Rural Postal Life Insurance has also shown an upward trend. Sum assured and premium income in PLI and RPLI during last three years are given in Part (b) of the Annexure.

There is a general increase in Savings Bank and Savings Certificate business in post offices also as seen from Part

(c) of the Annexure.

However, there is a decline in traditional mail over the years due to rapid development in alternative communication media, and the services being provided to the public by private couriers.

(d) Steps taken by the Government to get a lead over private sector

The Department of Posts has comprehensively inducted technology to meet customer expectations, to manage different operations, to improve quality, enhance efficiency and to contain costs.

To give a business focus to the activities of the Department, the Business Development Directorate set up in 1996 was reorganized into Business Development and Marketing Directorate i n the year 2004-05. A dedicated business development and marketing structure has also been created at Circle, Regional and Divisional levels. Department of Posts has introduced business products and services like Speed Post, Express Parcel Service, Business Post, Bill Mail Service, e- Post, Direct Post, Logistic Post, Retail Post, e-Bill Post etc. to meet the demands of India's rapidly growing economy, and especially of its service sector.

ANNEXURE

(a) Revenue & Traffic figure of the premium products during the last three years:

Traffic (in crore) and Revenue Rs. in crores)

	2002-03		2003-04		2004-05	
Products	Traffic	Revenue	Traffic	Revenue	Traffic	Revenue
Speed Post	6.34	243.01	8.27	298.35	9.60	354.16
Business Post	49.58	276.86	65.36	365.11	77.80	473.06
Express	0.58	26.10	0.67	31.45	0.66	37.70

Parcel Post
Retail Post 1.15 7.87 4.64 33.65 8.15 50.50

(b) Sum assured and premium income in PLI and RPLI during the last three years:

Year	PLI		RPLI	
	Sum assured (Rs.in crores)	Premium income (Rs.in crores)	Sum assured (Rs.in crores)	Premium income (Rs.in crores)
2002-03	2110.21	590.84	3347.94	171.35
2003-04	2846.66	698.17	5949.97	245.32
2004-05	3830.64	904.58	7207.96	380.87

(c) Statement showing increase in SB & SC work in Post Offices during the last three years

Year	Gross funds handled (Deposits & withdrawal) (Rs.in crores)	No.of saving accounts (all types)	Saving certificate deposits (Rs.in crores)
2002-03	105128	14.91	33190
2003-04	139855	14.42	39166
2004-05	183801	16.15	33718